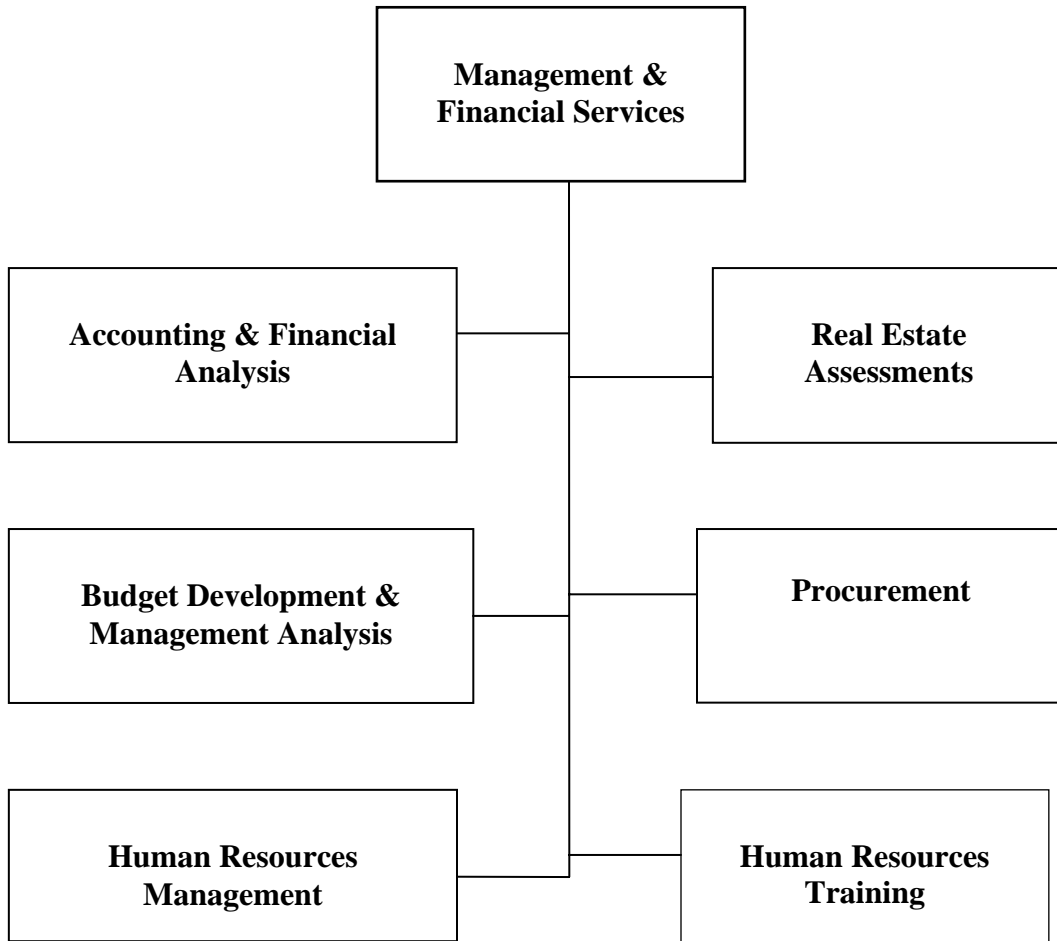

Management and Financial Services



Management and Financial Services

MISSION

The mission of the Department of Management and Financial Services is to effectively support the provision of direct services to the residents of Loudoun County by professionally managing, on behalf of the County Administrator, organization-wide processes and providing sound advice in the areas of budget, human resources management, procurement and financial management, and maintaining a fair and equitable real property tax base.

DESCRIPTION

The Department of Management and Financial Services provides centralized support to other County agencies and the County Administrator in the areas of budgeting, management, human resources, procurement, financial accounting and reporting, payroll, risk management, insurance, capital financing and debt management. Management and Financial Services also will manage the real estate assessment process and maintain County land use assessment and property records. The department's programs include Budget Development and Management Analysis, Procurement, Human Resources and Benefits management, Training, Accounting and Financial Analysis and Real Estate Assessments.

BUDGET OVERVIEW

FY 07 Issues, Challenges & Trends:

- The County government has responded to continuing population growth and changing demographics by approving ambitious enhancements to County services and a substantial capital improvement program. Proliferation in the number of programs and capital projects places a growing demand on department staff.
- Land development in the County has resulted in tremendous growth in the number of parcels and new construction assessments. The number of parcels and the number of improved properties, will impact the volume of assessment appeals and litigation.
- Recent staff turnover, with its corollary impact on training and productive capacity, will require additional training and workload adjustments for several divisions.
- Management of Countywide benefit and self-insurance programs continues to represent a challenge as market-wide pressures underscore the need for innovative cost management. This requirement must be balanced against the importance of employee benefits as a recruitment and retention tool for employees.

FY 07 Major Goals:

- Manage the debt issuance process and maintain the debt limits set by the County Board of Supervisors.
- Install financial management sub-systems in other departments to aid in the automation of the General Government and continue to advance the implementation of e-services for the department's clients.
- Identify and assess all new construction in a rapidly growing environment and administer land use and revitalization programs.
- Successfully implement the Board of Supervisors' grant initiative and continue to advance the performance measurement initiative.
- Manage the County's insurance programs to provide maximum cost effectiveness and benefit.
- Implement employee training programs that are focused on a core competency training model with a customer service program, e-training initiatives, project management training and Hispanic language training. A continued customer service focus will enhance service delivery to residents.
- Begin implementation of a new Budget Development and Production System.
- Manage County compensation programs effectively in order to attract and retain a highly qualified workforce.

FY 06 Major Achievements:

- Earned Achievement of Excellence in Procurement Award for 2005 from National Procurement Institute.
- Implementation of new health plan provider and plan redesign options including a health savings account.
- Successfully recruited and filled nearly 500 vacant positions in order to provide service delivery to residents.
- Received Distinguished Presentation Award and Certificate of Achievement for Excellence from the Government Finance Officers' Association for the FY 05 budget document and for FY 05 Comprehensive Annual Financial Report.

Management and Financial Services

Department Financial Summary

Departmental Financial Summary	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$6,778,189	\$6,985,498	\$7,487,605	\$8,640,000	\$9,420,000
Operations & Maintenance	2,500,476	2,278,948	3,183,827	3,460,000	3,503,000
Capital Outlay	59,124	11,960	16,334	40,000	40,000
Total Expenditures:	\$9,337,789	\$9,276,406	\$10,687,766	\$12,140,000	\$12,963,000
Departmental Revenue					
Local Fees, Charges, Etc.	\$335,932	\$137,519	\$246,392	\$307,000	\$178,000
Total Revenues:	\$335,932	\$137,519	\$246,392	\$307,000	\$178,000
Federal Foster Care Reimbursement:	\$76,887	\$82,475	\$87,319	\$94,000	\$0
Local Tax Funding:	\$8,924,970	\$9,056,412	\$10,354,055	\$11,739,000	\$12,785,000
FTE Summary:	100.73	95.44	90.44	101.64	102.64

FY 07 Board Action: The FY 07 Adopted Fiscal Plan includes enhancements totaling 3.00 FTE and \$154,000 in additional local tax funding. Local tax funding also increases by \$30,000 for internal audit services. The FY 07 budget includes 1.00 FTE transferred to County Administration and 1.00 FTE transferred to the Department of Information Technology in mid-year FY 06, and funding for the implementation of compensation and increased benefits costs effective September 2006.

Budget History:

FY 03 Mid-Year: Management Services transferred 0.25 FTE to County Administration to increase a part-time administrative support position to 60 hours per pay period and eliminated 5.00 FTE.

FY 04 Mid-Year: 2.00 FTE for the Internal Audit Program were transferred from Financial Services to County Administration.

FY 05: Three positions (3.00 FTE) were eliminated from the Human Resources Division. The Department of Management Services was combined with the Department of Financial Services to form the new Department of Management and Financial Services.

FY 05 Mid-Year: The Board added 2.00 FTE in mid-FY 05 for Budget Development and Management Analysis and Financial Management and Analysis. 2.20 FTE were transferred from Parks, Recreation & Community Services, Building & Development and Animal Care & Control for one internal investigator, one budget analyst and to increase an existing front counter position to full time.

FY 06: The Board added 7.00 FTE for two grant specialists, two assessors, one HR specialist, one contract officer and one program manager.

FY 06 Mid-Year: 1.00 FTE was transferred to County Administration and 1.00 FTE to the Department of Information Technology.

Management and Financial Services

Expenditures by Program

Programs	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Accounting/Financial Analysis	\$2,872,834	\$2,743,917	\$3,196,883	\$3,054,000	\$3,180,000
Real Estate Assessments	1,743,758	1,842,463	2,021,537	2,285,000	2,525,000
Budget Development & Management Analysis	1,001,149	956,095	1,091,045	1,407,000	1,465,000
Procurement	591,807	643,428	706,527	1,334,000	1,169,000
Human Resources Management	2,495,078	2,560,406	3,189,609	3,448,000	3,927,000
HR – Training	<u>633,163</u>	<u>530,097</u>	<u>482,165</u>	<u>612,000</u>	<u>697,000</u>
Total	\$9,337,789	\$9,276,406	\$10,687,766	\$12,140,000	\$12,963,000

Revenues by Program

Programs	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Accounting/Financial Analysis	\$319,272	\$120,101	\$272,891	\$327,000	\$101,000
Real Estate Assessments	73,330	67,109	52,934	68,000	68,000
Budget Development & Management Analysis	0	0	0	0	0
Procurement	20,217	23,662	6,229	6,000	9,000
Human Resources Management	0	9,122	1,657	0	0
HR – Training	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$412,819	\$219,994	\$333,711	\$401,000	\$178,000

Local Tax Funding by Program

Programs	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Accounting/Financial Analysis	\$2,553,562	\$2,623,816	\$2,923,992	\$2,757,000	\$3,079,000
Real Estate Assessments	1,670,428	1,775,354	1,968,603	2,217,000	2,457,000
Budget Development & Management Analysis	1,001,149	956,095	1,091,045	1,407,000	1,465,000
Procurement	571,590	619,766	700,298	1,328,000	1,160,000
Human Resources Management	2,495,078	2,551,284	3,187,952	3,448,000	3,927,000
HR – Training	<u>633,163</u>	<u>530,097</u>	<u>482,165</u>	<u>612,000</u>	<u>697,000</u>
Total	\$8,924,970	\$9,056,412	\$10,354,055	\$11,739,000	\$12,785,000

Staffing by Program

Programs	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Accounting/Financial Analysis	25.02	24.00	20.00	20.00	20.00
Real Estate Assessments	27.00	26.00	27.00	29.00	29.00
Budget Development & Management Analysis	11.61	10.10	10.10	14.30	14.30
Procurement	9.80	9.54	9.54	12.54	13.54
Human Resources Management	23.49	21.99	19.99	21.99	21.99
HR – Training	<u>3.81</u>	<u>3.81</u>	<u>3.81</u>	<u>3.81</u>	<u>3.81</u>
Total	100.73	95.44	90.44	101.64	102.64

Management and Financial Services – Accounting & Financial Analysis

DESCRIPTION

This program provides for department-wide management and leadership and manages the centralized system for processing, recording, maintaining and reporting of financial transactions, including the Comprehensive Annual Financial Report; for the payment of personal services resulting from employment and the compilations and reporting thereof; for the management of risk by either transferring the risk to risk pools or commercial insurance brokers; for the management of the self-insured worker's compensation plans and develops capital financing strategies for the funding of the Capitol Improvement Program. This division also provides business automation and web development services for all automated systems within the department.

BUDGET OVERVIEW

FY 07 Issues

- The County government has responded to population growth and the increasing demand for services by approving enhancements to County services and an expanded Capital Improvement Program.
- Financial management staff will continue to monitor the Governmental Accounting Standard Board's various pronouncements to determine the future impact on the Comprehensive Annual Financial Report.
- The division will also continue to monitor insurance markets to provide the lowest cost insurance products for the County.
- The County's public safety programs are the fastest growing programs, which places the most stress on the self funding worker's compensation program.
- The Capital Improvements Program for general government and the school system requires greater allocation of resources in order to maintain and/or reduce the County's cost of capital improvements.

FY 07 Challenges

- Migrate from payment of vendors by check to payment through the Automated Clearing House.
- Convert to an efficient document management system to streamline the vendor payment process.
- Manage the debt issuance process and maintain debt limits set by the Board of Supervisors.
- Install financial management sub-systems in other departments to aid in the automation of the general government.

Program Financial Summary	FY 03 Actual	FY 04 Adopted	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$1,680,237	\$1,509,185	\$1,529,603	\$1,734,000	\$1,834,000
Operations & Maintenance	1,145,433	1,234,732	1,662,158	1,320,000	1,346,000
Capital Outlay	47,164	0	5,122	0	0
Total Expenditures	\$2,872,834	\$2,743,917	\$3,196,883	\$3,054,000	\$3,180,000
Revenues					
Local Fees, Charges, Etc.	\$242,385	\$37,626	\$185,572	\$233,000	\$101,000
Total Revenues:	\$242,385	\$37,626	\$185,572	\$233,000	\$101,000
Federal Foster Care Reimbursement	\$76,887	\$82,475	\$87,319	\$94,000	\$0
Local Tax Funding:	\$2,553,562	\$2,623,816	\$2,923,992	\$2,727,000	\$3,079,000
FTE Summary:	25.02	24.00	20.00	20.00	21.00

Management and Financial Services – Accounting & Financial Analysis

Planned Accomplishments/Objectives for FY 07

Goal: Maintain prompt payment of vendors, Schools and employees.

Objective: Meet all financial obligations and maintain compliance with the Virginia Prompt Payment Act.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of operating checks	89,347	94,000	97,000	98,750
Number of employee payments made	73,088	77,000	79,000	82,500
Maintain compliance with Prompt Payment Act	Yes	Yes	Yes	Yes

Goal: Issue, as needed, General Obligation Bonds, Capital Leases and Other Financings.

Objective: Minimize the cost of borrowing to the County.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of debt issues	7	3	4	5
Net debt issuance (per year)	\$156,906,000	\$193,730,000	\$142,401,000	\$243,810,000

Goal: Maintain the County's credibility in the municipal finance markets with continued strong bond ratings.

Objective: Maintain Aaa bond rating with Moody's, Standard and Poor's and Fitch rating agencies.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
County's Bond Ratings:				
Moody's	Aaa	Aaa	Aaa	Aaa
Standard & Poor's	AA+	AA+	AAA	AAA
Fitch	AA+	AAA	AAA	AAA

Management and Financial Services - Real Estate Assessments

DESCRIPTION

The Real Estate Assessment Office performs Real Property Assessments to fulfill the requirements of Article X of the Virginia Constitution and in accordance with the Code of Virginia Title 58.1. This office manages a Countywide system for the annual maintenance of real property assessments in accordance with Chapter 860 and 848 of the Codified Ordinances of Loudoun County. Annual maintenance is normal for urbanizing high growth communities desiring to maintain equitable real property assessments. This office also administers the Land Use Tax program and maintains ownership and related information, ensuring timely and accurate preparation of information for the Treasurer to complete the real property tax billing process.

BUDGET OVERVIEW

FY 07 Issues:

- Land development in the County has produced tremendous growth in the number of parcels and new construction assessments.
- The number of parcels and the number of improved properties will impact the effectiveness of real property assessment operations. As that quality level is impacted, assessment appeals and litigation will continue to rise under current market conditions.
- While the real property tax remains and will likely continue as the County's single largest primary revenue source, legislators and the public continually scrutinize this tax and the underlying assessed values.

FY 07 Challenges:

- Identify and assess all new construction, update records for changes in ownership and subdivision, continue to administer the Land Use Assessment and Revitalization programs, and prepare assessment defenses before the Board of Equalization in a rapidly growing environment.

Program Financial Summary	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$1,603,373	\$1,654,151	\$1,841,308	\$2,000,000	\$2,216,000
Operations & Maintenance	140,385	188,312	175,042	245,000	269,000
Capital Outlay	0	0	5,187	40,000	40,000
Total Expenditures	\$1,743,758	\$1,842,463	\$2,021,537	\$2,285,000	\$2,525,000
Revenues					
Local Fees, Charges, Etc.	\$73,331	\$67,109	\$52,934	\$68,000	\$68,000
Total Revenues:	\$73,331	\$67,109	\$52,934	\$68,000	\$68,000
Local Tax Funding:	\$1,670,427	\$1,775,354	\$1,968,603	\$2,217,000	\$2,457,000
FTE Summary:	27.00	26.00	27.00	29.00	29.00

Management and Financial Services - Real Estate Assessments

Planned Accomplishments/Objectives for FY 07

Goal: Revalue existing and new parcels to create the County Land Book.

Objective: Annually assess all real property at 100% of Fair Market Value per State Codes and County Ordinances. State Tax Department Ratio is based on sales data occurring after reassessment is completed and does not consider appreciation in values after effective date of assessment.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of parcels	92,900	99,728	103,218	106,831
Parcels valued to required standards.	100%	100%	100%	100%
Countywide assessment to market value estimated by State Tax Department	83.75%	84.59%	85.44%	86.29%

Goal: Assess all new construction of new structures according to State Codes and County Ordinances.

Objective: Value 100% of all new structures to add supplemental assessments to the County Land Book.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of new structures completed after January 1 st of tax year	3,586	3,755	3,932	4,117
New structures assessed for supplemental assessments	100%	100%	100%	100%

Goal: Update Real Estate Records to Prepare County Land Book.

Objective: Process new deeds, subdivisions and related records to insure accurate records within the timeframe required for production of the County Land Book.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of changes made to complete County land book	54,076	58,181	59,500	64,584
Changes made to complete County land book	100%	100%	100%	100%

Management & Financial Services – Budget Development and Management Analysis

DESCRIPTION

This program provides primary support to the County Administrator in development, analysis, review and implementation of the County's operating and capital projects budgets and directs the Countywide grants management and development program. This program also conducts management analysis, performance measurement, fiscal impact analysis and special projects for County staff and officials.

BUDGET OVERVIEW

FY 07 Issues:

- This division directs the development and implementation of the County budget, an increasingly complex task given recent changes to the size of the County workforce and the number of programs. Program staff works with agency managers to provide resource planning services and management of budgets and expenditures so that service delivery concepts can be developed and implemented in a realistic manner.
- The County government has responded to continuing population growth and changing demographics by approving ambitious enhancements to County services and a substantial capital improvement program. Proliferation in the number of programs and capital projects places a growing demand on division staff.
- The Board of Supervisors approved a grants initiative as part of the FY 06 budget. The grants program provides oversight, consultation and assistance for grant proposal development and management compliance efforts by County agencies.
- This division serves as the County government's primary resource for management analysis services, providing support to County Administration and departments for a variety of special projects using existing staff and through the Countywide management internship program.
- The changes experienced in the County government in recent years brought a heightened need for more effective measurement of program effectiveness. FY 05 marked the inaugural year of a Countywide performance measurement initiative. Beginning with quarterly reports on program activities, this program continues in FY 06 with the redesign of the budget document to become more effective at providing information for managers and policymakers to manage service delivery and resource allocation.

FY 07 Challenges:

- Continue development of the countywide grant initiative through training programs and process implementation that encourages the development of outside funding resources to help defray and augment County services.
- Work with County departments and the School system to successfully implement the FY 06 budget and develop an FY 07 budget that incorporates management direction regarding service delivery and the implementation of new facilities within the fiscal guidelines established by the Board of Supervisors.
- Begin implementation of a new budget development and production system.

Program Financial Summary	FY 03 Actual	FY 04 Adopted	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$803,483	\$839,939	\$935,500	\$1,225,000	\$1,264,000
Operations & Maintenance	197,666	116,156	\$155,545	182,000	201,000
Total Expenditures	\$1,001,149	\$956,095	\$1,091,045	\$1,407,000	\$1,465,000
Revenues	\$0	\$0	\$0	\$0	\$0
Local Tax Funding:	\$1,001,149	\$956,095	\$1,091,045	\$1,407,000	\$1,465,000
FTE Summary:	11.61	10.10	10.10	14.30	15.30

**Management & Financial Services -
Budget Development and Management Analysis**

Planned Accomplishments/Objectives for FY 07:

Goal: Provide timely and accurate revenue and expenditure analysis to County departments and management and maintain a positive fiscal environment.				
Objective: Provide quarterly revenue, expenditure and performance measurement updates to the Board of Supervisors. Target actual performance to within 5% of projections.				

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Budget adjustments processed	3,293	3,278	3,400	3,500
Number of interim updates provided to Finance/Government Services Committee	3	3	3	3
General Fund Performance (actual vs. budget)				
Revenue	106%	107%	105%	105%
Expenditure	98%	97%	95%	95%

Goal: Maintain growth strategies through the development of the Capital Improvement Program.				
Objective: Monitor all capital projects accounts and provide management assistance with development of the six-year CIP.				

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
New capital project requests reviewed during budget process (non-school projects)	59	60	65	75
Total value of adopted Six-Year CIP (\$ M)	\$697	\$790	\$1,020	\$1,354

Goal: Successfully implement the Board of Supervisors' grant initiative.				
Objective: Develop internal advisory bodies, grants application procedures and information on current grant-funded activities. Identify new outside grant opportunities to help defray and augment County services by \$1,000,000.				

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Develop and maintain inventory on grant-funded programs (% complete)	N/A	N/A	100%	100%
Value of potential new grant opportunities identified by using external databases and working with outside organizations.	N/A	N/A	\$1 million	\$2.4 million

Management & Financial Services - Procurement

DESCRIPTION

The Procurement Division is responsible for the acquisition of all goods and services, including professional services and construction, required to meet the service needs of the growing population and County Government operations. The division conducts all procurements in accordance with the Virginia Public Procurement Act of the Code of Virginia and other applicable law. Procurement makes contract awards in a fair and impartial manner with avoidance of even the appearance of impropriety, while giving all qualified vendors access to the County's business.

To achieve the economical, efficient, and effective acquisition of goods and services, Procurement prepares and issues formal, competitive solicitations; negotiates contracts; mediates contract disputes; and conducts vendor outreach programs. In addition, procurement staff advises the Board of Supervisors, County Administration, and departments in procurement matters; performs compliance reviews, and provides training on procurement policies and procedures, contract administration, use of e-Procurement systems, and delegated authority.

BUDGET OVERVIEW

FY 07 Issues:

- After many years of stability, Procurement is experiencing annual vacancies, both within the division and in the departments with delegated purchasing authority. With a training period for procurement staff of about one year, turnover affects average staff workload dramatically, and limits available time for process improvements and training.
- A number of legislative initiatives to require small, women-owned, and minority (SWAM) programs, including set-asides, have been proposed in the 2006 session. In addition, lawmakers regularly amend applicable laws, such as the Virginia Public Procurement Act (VPPA), the Public-Private Education Facilities and Infrastructure Act (PPEA), and the Public-Private Transportation Act (PPTA), requiring revisions to County policies and procedures.

FY 07 Challenges:

- Develop and implement e-procurement enhancements, including e-Quotes, which will allow users to request and receive informal quotes electronically, and e-Bids, which will provide electronic, rather than paper-based, submission of bids and proposals
- Develop an in-house web-based ordering system, which will allow departments to make small purchases without attending substantial mainframe training.
- Earn the Achievement of Excellence in Procurement award again for 2006 from the National Purchasing Institute.

Program Financial Summary	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$547,834	\$586,929	\$660,999	\$898,000	\$1,049,000
Operations & Maintenance	43,973	56,499	45,528	436,000	120,000
Total Expenditures:	\$591,807	\$643,428	\$706,527	\$1,334,000	\$1,169,000
Revenue					
Local Fees, Charges, Etc	\$20,217	\$23,662	\$6,229	\$6,000	\$9,000
Total Revenues:	\$20,217	\$23,662	\$6,229	\$6,000	\$9,000
Local Tax Funding:	\$571,590	\$619,766	\$700,298	\$1,328,000	\$1,160,000
FTE Summary:	9.80	9.55	12.53	12.54	13.54

Management & Financial Services - Procurement

Planned Accomplishments/Objectives for FY 07

Goal: Ensure operational excellence in the procurement of goods, services, and construction.

Objective: Provide continuous innovation/improvements in efficiency and effectiveness. Achieve and maintain benchmark standard for purchases by departments under delegated authority.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Cost per dollar purchased	\$0.010	\$0.014	\$0.010	\$0.010
Purchases by departments under delegated authority/percent of total value (Benchmark = 80% of number/20% of value)	80%/14%	73%/15%	70%/14%*	80%/14%
New term contracts	3	3	4	2

* Reduced percentages due to department buyer vacancies.

Goal: Ensure operational excellence in the procurement of goods, services, and construction.

Objective: Achieve and maintain a 95% internal customer satisfaction ranking and a 4.5 average external customer satisfaction rating.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of IFBs/RFPs	70	89	82	84
Average time to process and award IFBs/RFPs (weeks)	15	13	14	14
Internal customer satisfaction	97%	92%	95%	95%
External customer satisfaction Rating (5 max)	4.6	4.8	4.8	4.8

Management & Financial Services - Human Resources Management

DESCRIPTION

The Human Resources Division provides comprehensive human resources services in the areas of employment and recruitment, training and development, benefits administration, policy development and interpretation, employee relations, communications, classification and compensation analysis. The Human Resources staff serves in a consultative role with departments and agencies to achieve organizational goals.

BUDGET OVERVIEW

FY 07 Issues:

- Continued fast growth and demand for County services places the County in a challenging position to attract and retain a high quality workforce. The Board of Supervisors approved 200+ new positions in FY 06. In addition, continued turnover of about 13% will result in a total recruitment of about 600 regular County positions.
- Meeting the demands of a workforce with expectations of professional development opportunities, a competitive pay and benefits package and reasonable workload assignments will be a challenge given the growth and service demands the County faces.
- The management of benefit programs will continue to be a challenge especially given increased health care cost trends. Continue evaluation of health plan costs and design will be required in order to balance costs and the use of benefits as a key recruitment and retention tool.

FY 07 Challenges:

- Attract and retain a high number of employees given new positions and turnover, especially in skilled and technical occupations.
- Deliver pay at a level to place County Compensation at 95% of market.
- Manage the cost of the health care plan in an inflationary cost environment and design plans to create incentives for cost reductions.
- Review of process and introduction of automation as costs permit such as the automated online employment application process and interactive benefits applications.

Program Financial Summary	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$1,852,446	\$2,067,081	\$2,242,037	\$2,430,000	\$2,622,000
Operations & Maintenance	642,632	493,325	947,572	1,018,000	1,305,000
Total Expenditures:	\$2,495,078	\$2,560,406	\$3,189,609	\$3,448,000	\$3,927,000
Revenue					
Local Fees, Charges, Etc	\$0	\$9,122	\$1,657	\$0	\$0
Total Revenues:	\$0	\$9,122	\$1,657	\$0	\$0
Local Tax Funding:	\$2,495,078	\$2,551,284	\$3,187,952	\$3,448,000	\$3,927,000
FTE Summary:	23.49	21.99	19.98	21.99	21.99

Management & Financial Services - Human Resources Management

Planned Goals/Objectives for FY 07

Goal: To attract and retain a quality workforce in order to deliver high quality County services to citizens.

Objective: Attract qualified applicants and fill 200 new positions and an estimated 350+ vacant positions as a result of turnover.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of recruitments conducted	465	505	500	600
Total number of job applications received	14,825	17,690	20,000	25,000

Goal: Recommend, develop and implement pay strategies to attract and retain a highly qualified workforce.

Objective: To be at 95% of the competitive market relative to pay band mid-points.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Mid-point of pay band compared to market average	N/A	97%	98%	96%

Goal: Manage health care cost increases.

Objective: Maximize benefits for employees while minimizing cost increases.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
County health insurance program cost trend	N/A	9.6%	11%	13%
Market-wide health insurance cost trend	N/A	9.2%	14%	14%

Management & Financial Services - Human Resources Training

DESCRIPTION

The training program is focused on identifying skills and implementing needed training to enhance workforce productivity, customer service competencies and leadership development. The training staff assesses organizational needs and develops training activities to support a learning environment of skilled employees who deliver quality County services. The training curriculum provides knowledge and skills development to employees in the areas of policies, laws, and regulations; employee relations activities, customer service, management, leadership and other competencies. A core competency skills program is being developed for a focused approach on ensuring all employees receive training on specific skill sets over the next two to four years.

BUDGET OVERVIEW

FY 07 Issues:

- Economic growth, the increased demand for service delivery and newly hired staff has resulted in a larger more diverse workforce. These demands have resulted in a greater need to ensure staff is oriented and trained.
- Employee expectations for professional development will place greater demand on training program offerings in order to attract and retain a highly skilled workforce.
- A recent training needs assessment of County staff has resulted in specific training program development over the next four years. Training programs will be focused on a core competency training model, e-training initiatives, Hispanic language training to enhance customer service delivery and a greater focus on specific skills training such as writing, time management and project management. Additionally, evaluation programs and measuring outcomes will be a focus.
- As a result of growth and turnover, new employees will require training.

FY 07 Challenges:

- Analyze current training curriculum based on the Countywide core competency model, identify needed programs, and develop curriculum to begin delivering competency training.
- Evaluate the County's orientation programs to improve their applicability to the needs of new County employees.
- Introduce e-learning programs and seek opportunities to deliver training using a blended delivery format in a cost effective manner.
- Continue delivery of leadership and supervisory training programs.
- Implement a project management training program to address skills needed to manage projects.
- Implement a focused customer service training program, as part of the Core Competency Training Model.

Program Financial Summary	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Adopted	FY 07 Adopted
Expenditures					
Personnel	\$290,816	\$328,214	\$278,158	\$353,000	\$435,000
Operations & Maintenance	330,387	189,923	197,982	259,000	262,000
Capital Outlay	11,960	11,960	6,025	0	0
Total Expenditures:	\$633,163	\$530,097	\$482,165	\$612,000	\$697,000
 Local Tax Funding:	 \$633,163	 \$530,097	 \$482,165	 \$612,000	 \$697,000
FTE Summary:	3.81	3.81	3.81	3.81	3.81

Management & Financial Services - Human Resources Training

Planned Goals/Objectives for FY 07

Goal: Continue to deliver supervisory training to develop supervisory skills.

Objective: Enhance supervisors' skills in order to create a work environment that retains and develops staff.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of supervisors trained in County policies, leadership/management skills and legal issues	640	556	650	700

Goal: Deliver New Employee Orientation programs.

Objective: Provide new employees with Human Resources and Benefits information to immediately engage them in the County workforce.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of participants in New Employee Orientation	364	433	450	550

Goal: Introduce greater measurement of training programs and training for impact programs.

Objective: Engage supervisors in the development and progress of staff.

<i>Performance Measures</i>	Actual FY 04	Actual FY 05	Est. FY 06	Proj. FY 07
Number of participants in supervisor follow up program	N/A	N/A	30	30